



SKAGIT COUNTY BOARD OF COMMISSIONERS

DON MUNKS, First District
KENNETH A. DAHLSTEDT, Second District
TED W. ANDERSON, Third District

August 17, 2005

The Honorable Harriet Spanel
40th Legislative District
305 Legislative Building
PO Box 40440
Olympia, WA 98504-0440

Dear Senator Spanel,

Skagit County operates a ferry service between Anacortes and Guemes Island. The Guemes Ferry was acquired by Skagit County from a private operator in the mid-1960s. The present boat, the M/V Guemes, was purchased in 1979 and has a capacity of 22 vehicles and 99 passengers. Ridership increases average 3.5% a year. We are planning now for vessel replacement.

It has become clear to us that the expense of this operation, which provides service to 600 full time residents and thousands of other citizens, has increased significantly in recent years due to the necessity of replacing aging infrastructure, adherence to environmental standards, increased use, and complex administrative management and operational requirements. Over the past five years, our ferry expenses have exceeded our revenue by \$5.7 million. Alarmed by this trend, this Board recently approved a fare increase of 61%, but it is not enough.

In 2004, 192,830 passengers (including 89,957 walk-ons) and 103,630 vehicles used the Guemes Ferry, generating \$448,180.00 in ticket sales. This recent fare increase is expected to bring in an additional \$300,000 in 2006, but this increased revenue will fall far short of our total expenses, anticipated to exceed \$1.7 million in 2006. We do receive \$210,000 annually from the Washington State Ferry Reimbursement Program. The balance is paid from our County Road Fund. Capital expenses, which are very high for this type of operation, are not meant to be reimbursed from the Ferry Reimbursement Program.

Therefore, we respectfully request your help to obtain additional funding to help us defray the escalating cost of providing this service. It is our hope the State could direct some funding to local ferries from the allocation contained in the new federal 6-year transportation appropriation. Our needs are:

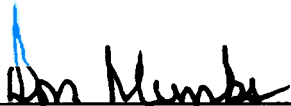
- Ferry boat replacement
- Dock and dolphin maintenance

- Terminal improvements
- Park and ride lot construction

Thank you for your consideration, on behalf of the citizens of Skagit County.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON



DON MUNKS, Chairman



KENNETH A. DAHLSTEDT, Commissioner



TED W. ANDERSON, Commissioner